

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF NORTH SHELBY WATER) CASE NO. 2011-00113
COMPANY)

ORDER

On March 30, 2011, North Shelby Water Company (“North Shelby”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. North Shelby purchases water from Shelbyville Municipal Water and Sewer Commission (“Shelbyville”), Frankfort Electric and Water Plant Board (“Frankfort”), Louisville Water Company (“Louisville”), and West Shelby Water District (“West Shelby”).

2. Shelbyville notified North Shelby that, effective April 1, 2011, its volumetric wholesale rate to North Shelby would increase from \$1.70 per 1,000 gallons to \$1.765 per 1,000 gallons, and Frankfort² notified North Shelby that, effective April 1, 2011, its volumetric wholesale rate to North Shelby would increase from \$1.704 per 1,000 gallons to \$1.81 per 1,000 gallons.

¹ KRS 278.012; 807 KAR 5:068.

² Case No. 2010-00485, Proposed Adjustment of the Wholesale Water Service Rate of Frankfort Electric and Water Plant Board (Ky. PSC Mar. 16, 2011).

3. North Shelby proposed a purchased water adjustment factor of \$0.05 per 1,000 gallons.

4. During the 12 months ended February 28, 2011, North Shelby purchased 8,858,600 gallons of water from Shelbyville, 173,981,000 gallons from Frankfort, 277,705,000 gallons from Louisville, and 440,050 gallons from West Shelby and sold 405,093,800 gallons.

5. North Shelby's cost of purchased water increased \$19,017.80 and results in a purchased water adjustment factor of \$0.05 per 1,000 gallons.

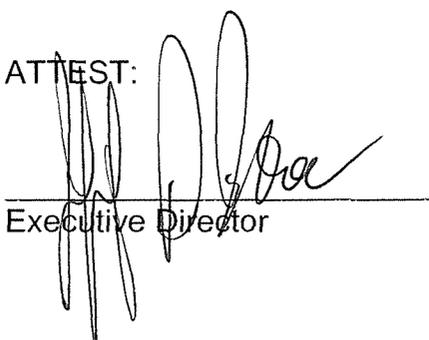
6. The purchased water adjustment factor of \$0.05 per 1,000 gallons is fair, just, and reasonable and should be approved.

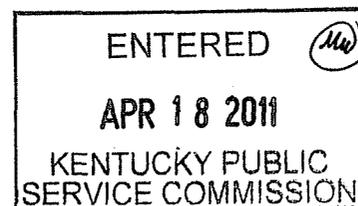
IT IS THEREFORE ORDERED that:

1. The rates proposed by North Shelby are approved.
2. The purchased water adjustment factor of \$0.05 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are approved for water service rendered on or after April 1, 2011.
4. North Shelby's proposed tariff sheet is approved.

By the Commission

ATTEST:


Executive Director



APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00113 DATED APR 18 2011

	New Rate	Base Rate
Shelbyville		
Purchases in gallons	8,858,600	8,858,600
Volumetric rate	<u>\$ 1.765 /1,000</u>	<u>\$ 1.70/1,000</u>
	\$15,635.43	\$15,059.62
Frankfort		
Purchases in gallons	173,981,000	173,981,000
Volumetric rate	<u>\$ 1.81 /1,000</u>	<u>\$ 1.704/1,000</u>
	\$ 314,905.61	\$ 296,463.62
Louisville		
Purchases in gallons	277,705,000	277,705,000
Volumetric rate	No change	No Change
West Shelby		
Purchases in gallons	440,050	440,050
Volumetric rate	No change	No Change
	Increased water cost	\$ 19,017.80
Increased water cost		\$ 19,017.80
Divided by gallons sold		<u>405,093,800</u>
Purchased water adjustment factor		\$ 0.05 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00113 DATED APR 18 2011

The following rates and charges are prescribed for the customers in the area served by North Shelby Water Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8 x 3/4 Inch Meters

First	2,000 gallons	\$14.97	Minimum Bill
Next	3,000 gallons	6.10	per 1,000 gallons
Next	5,000 gallons	4.72	per 1,000 gallons
Next	40,000 gallons	4.03	per 1,000 gallons
Over	50,000 gallons	3.35	per 1,000 gallons

1 Inch Meters

First	5,000 gallons	\$33.27	Minimum Bill
Next	5,000 gallons	4.72	per 1,000 gallons
Next	40,000 gallons	4.03	per 1,000 gallons
Over	50,000 gallons	3.35	per 1,000 gallons

1 1/2 Inch Meters

First	10,000 gallons	\$56.87	Minimum Bill
Next	40,000 gallons	4.03	per 1,000 gallons
Over	50,000 gallons	3.35	per 1,000 gallons

2 Inch Meters

First	15,000 gallons	\$77.02	Minimum Bill
Next	35,000 gallons	4.03	per 1,000 gallons
Over	50,000 gallons	3.35	per 1,000 gallons

3 Inch Meters

First	35,000 gallons	\$157.62	Minimum Bill
Next	15,000 gallons	4.03	per 1,000 gallons
Over	50,000 gallons	3.35	per 1,000 gallons

Jerry Ruble
Chairman
North Shelby Water Company
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